



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

UNITED PARCEL SERVICE

FEB 27 2012

Mr. Brian Beaver
Coordinator
Environmental Health and Safety
Columbia Gas Transmission, LLC
1700 MacCorkle Avenue
Charleston, West Virginia 25325-1273

**SUBJ: Clean Air Act Compliance Order and Information Request
EPA Docket No. CAA-04-2012-1770**

Dear Mr. Beaver:

Pursuant to Section 113(a)(3) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a)(3), the United States Environmental Protection Agency is issuing the enclosed Administrative Compliance Order (Order), requiring Columbia Gas Transmission (Columbia) to comply with certain requirements of the general duty provisions of Section 112(r) of the Act at its facility, located in Pikeville, Pike County, Kentucky.

This Order is based on information in the EPA's possession indicating that Columbia has violated the general duty provisions of Section 112(r) of the Act by failing to design and maintain a safe facility taking such steps as are necessary to prevent releases while processing, handling or storing methane, a regulated and extremely hazardous substance. Documentation of this information is presented in the enclosed electronic compact disk. If Columbia fails to comply with this Order, EPA may undertake additional enforcement activities under Section 113 of the Act, or other statutory or regulatory authorities.

Section 114(a) of the CAA, 42 U.S.C § 7414(a), authorizes the Administrator of EPA to require any person who owns or operates an emission source, whom the Administrator believes may have information necessary for the purposes of Section 114(a), or who is subject to any requirement of the CAA, to provide such information as the Administrator may reasonably require for the purpose of carrying out any provision of the CAA. This authority has been duly delegated to the Director of the Air, Pesticides, and Toxics Management Division, Region 4.

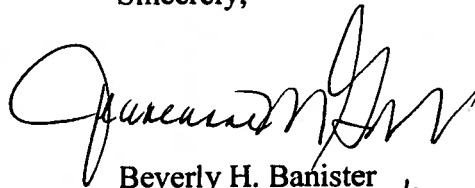
Pursuant to Section 114(a) of the Act, the EPA is requiring Columbia to provide information to the EPA Region 4 office **within 15 days** of the date of the enclosed Order, describing the actions taken, or the actions to be taken and when they will be completed, to comply with Paragraph 9 of the Order, including the specific actions required to fix, repair or replace the components which led to the releases, and the measures put in place to prevent releases from occurring in the future. In addition to the above information request, if the specific actions taken to comply with Paragraph 9 of the Order will be completed in the future, please provide information indicating the successful completion of the steps implemented **within 15 days** of their completion.

Please be aware, there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Act, and 18 U.S.C. §§ 1001 and 1341. The information shall be sent to the following Region 4 address:

Attn: Kevin Taylor
Air, Pesticides and Toxics Management Division
Air and EPCRA Enforcement Branch
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303

If you have any questions or would like to meet with representatives of the EPA to discuss the Order or the information request, please contact Kevin Taylor at (404) 562-9134.

Sincerely,



Beverly H. Banister
Director
Air, Pesticides and Toxics
Management Division

Enclosures (2)

cc: Mr. Jeffrey A. Cummins, Director (w/ enclosures)
Commonwealth of Kentucky
Department for Environmental Protection
Division of Enforcement

Mr. John Lyons, Director (w/ enclosures)
Commonwealth of Kentucky
Department for Environmental Protection
Division for Air Quality

Steven Hall, Supervisor (w/ enclosures)
Commonwealth of Kentucky
Department for Environmental Protection
Hazard Regional Office

Tommy Kilpatrick, Vice President (w/ enclosures)
Transmission and Storage Operations
Columbia Gas Transmission, LLC

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

IN THE MATTER OF:)
) Docket No. CAA-04-2012-1770
Columbia Gas Transmission, L.L.C.)
Pikeville, Kentucky)
)
RESPONDENT)
_____)

COMPLIANCE ORDER

I. STATUTORY AUTHORITY

This Administrative Compliance Order (Order) is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (EPA) by Section 113(a) of the Clean Air Act (the Act), 42 U.S.C. § 7413(a). The Administrator has delegated this authority to the Regional Administrator of EPA Region 4 by EPA Delegation 7-6-A, who in turn delegated it to the Director, Air, Pesticides and Toxics Management Division of EPA Region 4 by Region 4 Delegation 7-6-A.

II. FINDINGS

1. Columbia Gas Transmission, L.L.C. (Columbia or Respondent), is the owner and operator of a natural gas compressor station facility located in Pikeville, Pike County, Kentucky (Facility). Columbia pressurizes natural gas prior to its dehydration and processing at the neighboring Mark West facility, an independent facility unrelated to Columbia. The natural gas is then transferred at the higher pressure into the natural gas pipeline. The major component of natural gas is methane, although other volatile organic compounds and hazardous air pollutants are present.

2. Methane, the major chemical component of the natural gas pressurized at Columbia's Facility, is listed as a regulated flammable substance under Table 4 of 40 C.F.R. 68.130 [Regulated Substances for Accidental Release Prevention]. Therefore, Methane is a regulated substance and an extremely hazardous substance under Section 112(r) of the Act.

3. Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1), also called the general duty clause of the Act, states that the objective of the regulations and programs authorized under this subsection is to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to Section 112(r)(3) or any other extremely hazardous substance. The owners and operators of stationary sources producing, processing, handling or storing such substances have a general duty to identify hazards that may result from releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases which do occur.

4. Columbia's Facility is a "stationary source" as defined by Section 112(r)(2)(C) of the Act, as amended, 42 U.S.C. 7412(r)(2)(C), which states: "The term 'stationary source' means any buildings, structures, equipment, installations or substance emitting stationary activities (i) which belong to the same industrial group, (ii) which are located on one or more contiguous properties, (iii) which are under the control of the same person (or persons under common control), and (iv) from which an accidental release may occur."

5. On August 30, 2011, EPA inspectors conducted an air compliance inspection of the Columbia Facility utilizing a Forward Looking Infrared Gas Finder Camera (FLIR)®.

6. The FLIR is an imaging technology that uses infrared radiation to detect various gases and hydrocarbons.

7. At the time of the EPA's August 30, 2011, inspection of the Columbia Facility, the FLIR camera identified releases of air pollutants, including methane, at compressor No. 3 and compressor No. 4. These releases demonstrate, at a minimum, Respondent has failed to design and maintain a safe facility taking such steps as are necessary to prevent releases, and is in violation of Section 112(r)(1) of

the Act.

8. At the time of the EPA's August 30, 2011, inspection of the Columbia Facility, the FLIR camera identified another release of air pollutants, including methane, from the emergency blowout vent located next to the facility scrubbers. Emissions from the emergency blowout vent were also observed visually by the inspectors without the use of the FLIR or any other equipment. EPA inspectors did not observe any emergencies occurring at the time and confirmed with facility personnel that no emergencies were occurring. Since an emergency situation did not exist, there should have been no emissions from the emergency blowout vent. These releases demonstrate, at a minimum, Respondent has failed to design and maintain a safe facility taking such steps as are necessary to prevent releases, and is in violation of Section 112(r)(1) of the Act.

III. ORDER

Based upon the findings set forth above, Respondent IS HEREBY ORDERED, pursuant to Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3) as follows:

9. Upon receipt of this Order, Respondent shall take such steps as are necessary to prevent the release of a regulated or other extremely hazardous substance as described above, including fixing, repairing, or replacing the components that led to the releases.

IV. GENERAL PROVISIONS

10. The provisions of this Order shall apply to Respondent and its officers, agents, servants, employees, successors, and to all persons, firms, and corporations acting under, through or for Respondent.

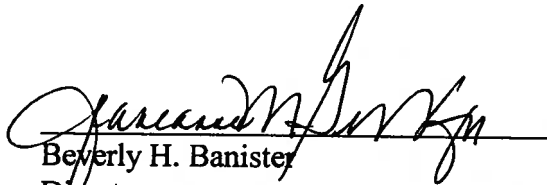
11. If Respondent fails to comply with this Order, the EPA may undertake additional enforcement activities under Section 113 of the Act, or other statutory or regulatory authorities.

12. This Order shall not prevent the State or the EPA from assessing any penalties nor otherwise affect or limit the State's or the United States' authority to enforce under other provisions of the Act, nor affect any person's obligations to comply with any section of the Act or with a term or condition of any permit or applicable implementation plan promulgated or approved under the Act.

13. This Order shall be effective when issued.

2.27.12

Date of Issuance

A handwritten signature in black ink, appearing to read "Beverly H. Banister", is written over a horizontal line.

Beverly H. Banister
Director
Air, Pesticides and Toxics
Management Division